CHAPTER VI

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[A general discussion in light of the sample data is provided in this chapter. The issues focussed in the study are critically examined. The possible causes for the noted effects are catalogued]

The relation between economic efficiency and landreform has been a subject of much discussion in the academic world. The latest dimension it has attained is the linkage between power (institutional) and productive capacity. This relation is expressed through several characteristics of its own. Changes in cultivable land over the past three decades have indicated a diversified but definite impact of this power structure existing in the Indian rural society on productive capacity of the farmer. This power configuration of a few rich farmers is seen as one of the main reasons for the backwardness of Indian agriculture at large. The earlier analysis of the agrarian economy of the country as whole, and that of Karnataka reveals that this sector faces several common problems in general. The main reason for the backwardness of Indian agriculture is stated to be the long absence of settled institutional (ownership rights) conditions and the consequent negligence of proper
cultivation. When we look into the economy of the Dakshina Kannada District with this background and in the light of the sample study, we get a rather different note. The scenario of the district is not so dismal as it appears in some parts of the country. The tenants and landlords show a tendency of positive approach towards growth, though the degree of development varies.

The general details provided in chapter V clearly indicate that the tenurial condition has a close link with the general living conditions. Especially the disparity is more in terms of literacy and education between rich landlords and the tenant. Besides, the tenurial system is closely related to the traditional caste system. The landlords have a better educational standard as compared to tenants and agricultural labourers. It may be recalled that recently the district has been declared to have a 100% literacy rate in the age group of 5 to 35 years. Hence the general education is gaining importance among all sections of community in the district. As far as technical and professional education is concerned, still it is the landlords who are at an advantage. But of late, the tenant class is also catching up with the landlords.

The general housing condition as an indicator of standard of living reveals the following ranking order:

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landlords, tenants and then agricultural labourers. The landlords enjoy comparative better housing facilities with more number of R.C.C. houses followed by tenants. It is interesting to note that the rich tenants and rich landlords enjoy a better living condition than the others. In many a case the rich tenants has better houses with all other facilities than a small landlord. Thus a better housing condition cannot be identified with a particular class in absolute terms. But in general it is the landlord who is enjoying a better housing condition, due to the traditional tenurial system which put him at certain advantages. The traditional advantage of landlord has helped him to possess better housing facilities. Today the tenants have also improved their housing conditions to a large extent. The improvement witnessed in the housing conditions of agricultural labourer class is mainly due to government assistance. The major beneficiaries of Janatha houses are SC and ST's in this class.

The castewise composition of the households by tenurial status reveals that dominant castes were the traditional landlords. Only five castes are in this category in the sample viz. Brahmin, Bunts, Jains, Gowda and Konkanis, in the order of dominance. Brahmins and Bunts were the major castes who were the traditional landlords of the region,
followed by Jains. It is for this reason that Brahmans and Bunts though different in social stratification, joined hands together when it was against their common interest as far as tenancy reform was concerned. It is equally interesting to note that Bunts were a major caste in tenant class, landlords and a sizable number existed in agricultural labourer class too. Hence obviously any benefit due to reform has invariably gone to the farmers of this caste.

Size of holding:

The castewise distribution of holding size 'before' and 'after' reform has indicated the variation over the years. The increasing number of marginal holdings in both the categories of tenant and landlords shows a more equitable distribution at marginal and small farmers' level. Between the two, tenants show a better pattern. In this class at present, 90% of households are below the small holding category whereas for the landlord class, the figure is only 62%. The reform has led to decreased variation in the holding among the tenants than among the landlords. No doubt in the landlord category the number of large holders has decreased considerably, but the change is more pronounced among the tenants. The reduction in median
holding is very high for landlords (2.48 hectares) as compared to tenants (0.16 hectare). But this reduction has not brought about equitable distribution within the landlord class. In fact, the reform is more effective in the smaller size class than the larger one. This has resulted in increased inequality within the class of landlords as shown by the Lorenz curve.

The increased inequality of distribution does not mean that redistribution has not taken place. The larger and better rate of implementation in the lower size class relative to larger size within the class of landlords is the reason for this. The tenant class, on the other hand, has shown a better distribution of landholding in all size groups. Thus the direction of change is positive. But the differential rate of variation is the reason for the Lorenz curve shifting to the left side in the case of landlords.

This phenomenon can be explained with an example. A century and half ago, the economically advanced countries of Europe and North America produced on a per capita basis, perhaps two to three times more output than the less favoured regions of Asia, Africa and South America. Now the gap is ten, fifteen or even more times. The reason for
this widening gap is the faster rate of growth of developed nations in comparison to the less developed ones. This does not mean that African or Asian countries have not developed over the years. The answer is in the differing degree of growth or development. Similar is the situation in this case.

No doubt this trend is not a positive sign as far as the general purpose of landreform is concerned. A stringent and more effective implementation at the larger size class is necessary for equitable distribution of productive wealth, viz. farm land in developing countries, particularly in India.

Productivity :- The productivity issue has in fact shown a favourable change among all size classes irrespective of the tenurial status. At the outset, a changing preference for cropping pattern is clearly visible among all the farmers. But the choice of commercial crops is high among the landlord class than in the tenants. It is disturbing to note that affluent landlords have completely shifted to commercial crops and stopped growing paddy. The mood of the other farmers is also in favour of commercial crops like areca and coconut.
The possible reasons for more landlords opting to commercial crops are:

(i) greater credit availability (capital) which is essential in the initial stages of areca cultivation,

(ii) the difficulty of labour availability for paddy cultivation which is highly seasonal, and

(iii) the greater sustaining capacity of this class as far as the gestation period of yield of areca is concerned.

It is worth noting that irrespective of tenurial status, all farmers prefer commercial crops due to their higher profit. The phenomenal increase in price of areca and coconut in recent years has accelerated this shifting process. But is it a healthy trend? If one is to remember that historically, Dakshina Kannada was self-sufficient in its requirement of rice, the staple food of the region, today it is no more so. On the other hand it is an importer of rice. The shift to commercial crops is due to the changed tenurial condition of a large number of tenants. Is this is a positive trend to be encouraged in the long run? The issue needs careful examination at the policy formulation level.
Leaving aside the shift in choice of crops, the number of crops grown for rice alone has increased irrespective of size and class, in general. An exception is of the large holders among the landlords who now grow fewer rice crops. The reason for this group to do so is the reduced income or margin of profit from rice and the availability of a better alternative in areca. Except for this small group, all others of both classes have registered an increase in the number of crops grown. This is no doubt a positive impact of land reform.

This impact is substantiated by the fact that the investment for paddy cultivation has increased over the years. The increase in indivisible inputs among all farmers indicates the greater intensity of cultivation. Essential indivisible inputs have increased among all classes. Particularly, investments relating to irrigation have increased for both tenants and landlords. The decrease in livestock could be considered as a reduction of overhead cattle which were mainly non-productive and survived in a feudalistic social system. With the reform, the rearing of non-productive cattle has stopped by landlords and tenants alike. The increased owning of farm equipment by the landlords speaks of greater participation of this class in cultivation.
Irrespective of size class, more or less all the farmers have stepped up investment in paddy cultivation inspite of a shifting trend to commercial crops. The increased mean cost shows the greater interest in paddy cultivation by different classes. The decreasing standard deviation is an indicator of greater social equality.

The productive capacity of farmers in all classes has increased considerably over the years. The Chisquare measure shows that the reform has affected the productive capacity of landlords more than that of the tenants. The effect on tenants is also quite significant. The reason for this may be the advantages enjoyed by landlords in the traditional society which have been transformed into productive capacity in the changed circumstances.

Production in all communities and in all sectors has certain common characteristics and prerequisites. It requires basic productive agents or factors of production which are not held equally by all sections of the society. As seen in the introduction, in the agrarian society the polarisation of these productive agents depends mainly on one factor - the ownership of land. This in turn is traditionally determined by the tenurial system of that society. Thus the ownership pattern and production agents
are closely related, which makes the link between tenurial conditions and productive capacity more pronounced. This trend is transmitted to the present society. Even land reform has not been able to check this process. The higher productive capacity of landlords is a clear indicator of this fact.

Employment: The issue relating to reform and employment intake is very much evident in the study. Though general opinions vary, the region has shown an absolute increase of employment intake among all sections of farmers after land reform. The point of interest is on the pattern of intake. The labour absorption rate is not consistent with the popular belief. The possible reasons for higher labour absorption among the large holders in tenant class in relation to small and marginal holders in the same class are

(i) better hiring capacity of large farmers, and
(ii) lack of credit or cash among the marginal farmers to hire labour.

But the reverse trend is experienced by the landlord class. The rich landlords owning large farms have in fact absorbed less labour than small and marginal farmers in their category. The possible reasons are that:
(i) large farmers prefer commercial crops like areca which is less labour intensive as compared to paddy,

(ii) the small and marginal farmers in this class enjoy certain credit advantage or cash reserve, which enables them to absorb more labour, and

(iii) the large farmers also have the advantage of preferring mechanisation to manual labour, which is beyond the reach of small and marginal farmers.

Thus the two classes show different labour intake capacities in different size groups of holdings. The total labour intake capacity as such has increased which is a positive outcome of land reform. The availability of alternative employment opportunities, especially in a more remunerative beedi rolling industry is the main reason for the landless labour class to opt out of agriculture. Thus the so called 'throwing labourers out of agriculture sector' in this region is more due to choice by the labourers themselves rather than lack of employment opportunity in agriculture inspite of its seasonal nature.

INCOME :-

A positive production and employment effect is bound to create a positive impact on income. This also is very much
evident in the region. The common indicator of prosperity is found in the changing sectoral contribution to the annual income of households. The income share of secondary and tertiary sectors is increasing for all classes of people.

The increasing share of secondary and tertiary sectors in the income of landless agricultural class speaks of their greater diversity and prosperity. The answer to "throwing out" of labourers from agriculture probably lies here.

Besides (landlord and tenant classes) the income level of both has increased considerably. The dependence of tenant class on agriculture is more than that in the landlord class. The faster growth rate of income in landlord class may also be due to alternative sources of income to this class. The service sector, which is very much developed in the region, has provided employment to the educationally forward class - the landlords. For example, in banking. It will not be a wonder if one comes across person from each household employed in a quite lucrative service sector in the landlord class. This has acted as a supportive source to develop their land, than that of tenants. Of late, the tenant class is also fast catching up with this class. But here again, the rich tenants are in an advantageous position to transform their resources for a better future than small and marginal farmers.
Another fact to be noted with particular interest is the greater development recorded by small and marginal farmers and agricultural labourers of Belthangadi Taluk in comparison to their counterparts in other taluks. The reason behind this seems to be the commendable role played by the voluntary organisation Sri Kshetra Dharmastala Rural Development Project. It has made marginal and small farmers and agricultural labourers its target group. Its plans are land-based programmes. Given the minimum land through reform, the project has based its programmes on this land. The programme is executed through 'Sevakarthas' who are paid by the organisation. Personal supervision and work management, training and payment in kind wherever possible are the hall-marks of this project. The ten years of programme has resulted in noteworthy development in the lower strata of the farming community in the taluk. The economic incentive provided by this organisation has helped them to sustain themselves. They have been able to develop their piece of land and prosper. This experience truly can be an eye opener to the policy makers as well as implementing machinery. Landreform supported by proper feed back programmes can certainly lead to development.

Land Reform - A Few Ecological Implications :-

A reference to a few ecological implications which are very much related to the issue of landreform need a mention.
Any economic policy should be aimed at sustainability to ensure long term benefits. Land reform does include certain environmental issues in its fold. Among material resources the greatest is land. As Schumacher\textsuperscript{1} stated - "Study how a society uses its land, you can come to pretty reliable conclusion as to what its future will be".

It is well founded by the foregoing analysis that tenurial reform has a major impact on cultivation practices. Viability and productivity are the major factors affected by tenancy reforms through intensity of cultivation. This has certain ecological implications.

For instance, we may cite an example of ecological concept of traditional cultivation under the tenurial system. In Dakshina Kannada one acre of paddy cultivation was traditionally supported by a minimum of half an acre of 'khuski' land which mainly consisted of vegetation. This was a common practice in the region. In the majority of cases where land was leased to tenants (before the reform), a proportionate area of Khuski land was also generally

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leased. If not, the tenant was usually given permission to use the forest area (Khuski land) of the landlord normally adjacent to the leased out paddy fields which was used for green manure and grazing of livestock. This was mentioned by tenants and landlords alike at the time of data collection. It is regrettable that such a sound practice is not given consideration while forming and implementing tenancy reform measures.

Land reform may also affect soil erosion and conservation. Distribution of less fertile and slopy land can lead to soil erosion. The allottee of such land is invariably a marginal farmer or landless labourer. He generally ploughs such land for cultivation. With a high rainfall in the region, the soil becomes prone to quick erosion. The beneficiary being usually poor, does not have sufficient capacity to apply soil conservation measures. Land reform policy while redistributing the surplus land should consider this fact.

The study has clearly indicated that the number of farmers owning livestock is related to the tenurial condition. With a decreased size and without common properties which were mainly used as grazing land the small farmer now no longer owns cattle as before.
Land reform, making the tenant an owner, always provides an impetus for intensive cultivation. Even among landlords, it has provided a greater impetus as shown by the study. Commercialisation of agriculture is shown in terms of shifting to commercial crops and increased application of chemical fertilizers. The increased shift to commercial crops and intensive cultivation has led to economic prosperity. But as noted, the self-sufficiency in food production in the region is lost. The increased purchasing power of the masses has not eased the situation. But agricultural commercialisation may create new hunger and poverty in the long run. This should be given a careful thought and proper measures should be adopted in landreform policy itself.

Land reform policy affects the environment too. A comprehensive land reform policy should never overlook environmental factors. Economic entitlement should be accompanied by ecological obligations.

In brief, land reform has initiated a positive transformation in the rural society of Dakshina Kannada District. Many supportive factors like well developed credit market, an educated population, fast growing service sector have also contributed their share to this development. It may be inferred from the above facts that land reform has initiated a healthy growth of rural communities in Dakshina Kannada.